



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 10

1200 Sixth Avenue
Seattle, WA 98101

September 9, 2004

Reply To

Attn Of: ETPA-088

Ref: 97-013-BLM

Henri Bisson, State Director
U.S. Department of the Interior
Bureau of Land Management
Alaska State Office
222 W. 7th Avenue, #13
Anchorage, AK 99513-7599

Dear Mr. Bisson:

The U.S. Environmental Protection Agency (EPA) has completed review of the Draft Amended Integrated Activity Plan/Environmental Impact Statement (IAP/EIS) for the **Northeast National Petroleum Reserve-Alaska (NPR-A)** (CEQ No. 040275) in accordance with our responsibilities under the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act. Under our 309 authority, our review of the Draft EIS considered not only the expected environmental impacts of the project, but also the adequacy of the EIS in meeting the procedural and public disclosure requirements of NEPA.

The Draft EIS amends a 1998 Final IAP/EIS and Record of Decision (ROD) and evaluates three alternatives, including a No Action Alternative (Alternative A) and two action alternatives, for the management of approximately 4.6 million acres of public lands in the Northeast Planning Area. The Draft EIS identifies a Preferred Alternative (Alternative B), which would allow oil and gas leasing on portions of lands currently closed to leasing or under No Surface Activity restrictions and adopt a set of performance-based stipulations and Required Operating Procedures (ROPs) patterned after those developed for the Northwest NPR-A Planning Area.

EPA's review of the Draft EIS has concluded that the Preferred Alternative (Alternative B) is likely to cause significant adverse impacts to fish and wildlife resources and habitat areas (including wetlands and aquatic habitat), and in particular to critical waterfowl habitat and caribou calving and insect-relief areas and migration corridors in the Teshekpuk Lake Special Area. On the basis of information presented in the Draft EIS, we have determined that the biological, cultural and subsistence resources (surface resources) continue to merit the protections assured by the leasing plan in the 1998 ROD. The 1998 IAP/EIS and ROD were the results of a substantial and collaborative effort by the BLM; federal, state, and local resource and regulatory agencies; federally recognized Tribes; and residents in local affected communities. The BLM determined at that time that the surface resources in the Teshekpuk Lake Special Area and the Colville River Special Area deserved special protections.

The Draft EIS lacks new or updated biological, subsistence or technological information to support any decrease in protections for those areas. The Preferred Alternative's proposal to open additional lands for leasing within the Northeast Planning Area, remove current No Surface Activity restrictions and adopt new performance-based mitigation measures presents a high risk to the important surface resources and to subsistence users in North Slope communities. We believe that the BLM can meet the stated Purpose and Need by offering lands that are already available for leasing within the Northeast and Northwest planning areas and optimizing oil and gas exploration, development and production through the judicious use of revised performance-based stipulations and ROPs.

Consequently, EPA recommends that the BLM develop and analyze a modified Preferred Alternative in the Final IAP/EIS (Final EIS) that retains the current leasing acreage and surface activity restrictions described in the No Action Alternative (Alternative A) and includes revised stipulations and ROPs that are patterned after the performance-based mitigation measures included in Alternative B. This modified Alternative would provide environmental protections for the Planning Area, including lands within the Teshekpuk Lake Special Area and the Colville River Special Area, and facilitate sustainable subsistence use of resources within the Planning Area.

EPA is concerned that the proposed Preferred Alternative could have disproportionate adverse environmental, social and health effects on minority populations in Alaska. We are also concerned that effective consultation and collaboration with Tribes and meaningful public involvement during development of the Draft EIS, especially within local affected communities, have not yet been completed, as required by NEPA, Executive Order 12898 (Federal Actions to Address Environmental Justice in Minority and Low-Income Populations) and Executive Order 13175 (Consultation and Coordination with Indian Tribal Governments). EPA recommends that the BLM take the time while developing the Final EIS and ROD to further engage Tribes and residents in affected communities; discuss their comments, issues and concerns; collaborate; and seek consensus for a revised plan that balances oil exploration and development with fish and wildlife, cultural and subsistence needs.

In summary, EPA recommends that the BLM develop and evaluate a modified Preferred Alternative that keeps lands closed or under No Surface Activity restrictions as specified in Alternative A and adopts a revised set of performance-based stipulations and ROPs. The effective use of lease stipulations and ROPs that provide flexibility along with adequate environmental protections and mitigation would optimize the development of oil and gas resources on lands presently open for development, provide for enhanced energy security and protect the valuable surface resources in the entire Planning Area. We believe this alternative would meet the Purpose and Need presented in the Draft EIS and achieve a balance between oil and gas exploration and development activities and the protection of valuable biological, cultural and subsistence resources, consistent with Presidential and Congressional directives and implementing regulations for NEPA.

Based on our review and evaluation of the Draft EIS, EPA has assigned a rating of EO-2 (Environmental Objections - Insufficient Information) to the Preferred Alternative (Alternative B). This rating was determined on the basis of the potential adverse environmental impacts associated

with the Preferred Alternative and the adequacy of mitigation measures. EPA has enclosed written comments that describe our substantive issues and concerns, which support our rating (Enclosure 1). A copy of the EPA rating system used in conducting our environmental review is attached (Enclosure 2).

EPA is committed to working with the BLM during the development of the Final EIS and ROD. We appreciate the opportunity to provide comments on the Draft EIS. Should you have any questions regarding our comments, please contact me at (206) 553-1272. Please also feel free to contact Colleen Burgh in our Alaska Operations Office at (907) 271-1481.

Sincerely,

A handwritten signature in black ink, appearing to read "Michelle Pirzadeh", with a stylized flourish at the end.

Michelle Pirzadeh, Director
Office of Ecosystems and Communities

Enclosures

cc: Susan Childs, BLM Project Manager